

BUDGET MESSAGE

*From the
County Administrator*

Chairman, and Members of the Board of County Commissioners

Dear Commissioners:

As I submit this budget, I am very proud of all the hard work from our departments in trying to balance this year's budget while at the same time holding the countywide ad valorem tax rate at the same level for the seventh year in a row. The preparation of the last three years' budgets has been easier than in previous years because of the success of the "Investment for the Future" program, increased property values, an ambitious grant program, an aggressive economic development program, and a 'hold the line' spending strategy.

The "Investment for the Future" Program was developed by the St. Lucie County Strategic Management Team in 1997. This program was adopted by the Board to establish funding for infrastructure, stormwater management, fleet replacement and other capital improvements. The sources of revenues were Franchise Fees, Local Option Gas Tax, Stormwater Municipal Service Taxing Unit, and Tourist Development Tax.

The county's property values came in 14.16% over last year. The county is growing at a rapid rate. According to the Florida Trend Magazine "St. Lucie County is shaping up to become the next high-growth market in south Florida".

We currently have two Grant Writers in the County Administrator's office, writing and searching for grants for the County and other not for profit agencies in the county. Last year we applied for \$8.8 million in grants and \$3.6 million were awarded.

A few years ago the County started an economic incentive program. This program has been highly successful, bringing jobs to the County. This year the incentive programs brought some great successes to the County. For instance; the Wal-Mart Corporation is building a \$55 million distribution center that will employ 1,200 jobs, Scripps Treasure Coast Publishing Company is building a \$45 million printing plant with 100 jobs and Tropicana is working on a \$23 million expansion and increasing their job force by 36 new positions.

These programs serve as a reinforcement of the County's visions and philosophy on long-range planning, infrastructure and conservative spending. In addition, these programs help the County to attain a lower unemployment rate, higher-paying jobs, and a high quality of life for all ages and cultures to live, learn, work and play in.

The growth of the County under the direction of the Board of County Commissioners has been carefully planned to accomplish the following objectives:

- Balancing the budget with no increase in the countywide millage rates.
- Handling mandatory requirements placed upon St. Lucie County by state and federal law.
- Providing training for employees to better serve the public.
- Accurately preparing economic assumptions for the upcoming fiscal year.
- Continuing cost containment efforts.
- Maintaining the County's emergency reserves.
- Providing adequate contingency reserves, for unanticipated expenditures.

- Addressing major issues facing the Board such as: employee benefits, new positions, capital projects and other miscellaneous operating issues.
- Identifying other issues that may be indirectly or directly related to the budget process.

FISCAL HEALTH

As I write this message, the overall fiscal health of the county has improved significantly. Property values have increased as a result of new construction. St. Lucie County is one of the fastest growing counties in the country. The unemployment rate is the lowest it has been in years. Although, the national economy has plunged, the County has remained strong in economic growth. St. Lucie County will end the fiscal year 2003 with a budget that is, from a fiscal or balance sheet standpoint, in good financial condition. The actions taken by the Board over the past several years have significantly improved the immediate outlook for future county budgets. The long hours and difficult decisions have paid off.

PROPERTY TAXES

The Countywide Ad Valorem millage is 7.6794, which is the same as fiscal year 2002/2003. The rate consists of three components:

General Fund	4.0728
Fine & Forfeiture	3.5066
Erosion Control – Zone E	.1000
Total	7.6794

Ad Valorem tax collections are based on a combination of the tax (millage) rate and property valuation.

EXPENDITURES

The fiscal year 2003-04 budget totals \$391.3 million, a decrease of 8.26% or \$35.2 million from the fiscal year 2002-03 amended budget amount of \$426.5 million. The primary reason for the decrease is that the fiscal year 2002-03 budget reflects debt proceeds.

Fund Type	Adjusted Budget 2002-2003	Budget 2003-2004
Personnel Expense	44,577,603	50,918,697
Operating Expense	247,013,388	208,092,267
Capital Expenses	134,887,936	132,255,369
TOTAL	426,478,927	391,266,333
Percent Change:		-8.26%

MAJOR ISSUES

During the process of adopting the fiscal year 2004 budget, the Commission was faced with several major issues. Some highlights of those issues are as follows:

Proposed Millage Rates

The County must balance the increasing demand for service with the desire to keep tax rates down. For the seventh year in a row, the County was able to adopt a balanced budget where the countywide millage rate remained the same.

Fine & Forfeiture Budget

The annual costs associated with the Fine & Forfeiture budget continue to increase faster than the annual revenues. We continue to struggle with this issue. We are working with the Florida Association of Counties and others to successfully implement Article V that hopefully will provide some relief to this situation. This budget reflects some changes related to Article V, such as the movement of Corrections salaries and benefits budget to the General Fund and a 25% (three months) reduction of some programs that the State is expected to fund as of July 1, 2004. The only reason we were able to balance the Fine and Forfeiture budget this year was because of increased property values and by subsidizing it with the General Fund.

General Fund Operating Budget

For the second year in a row, there has been no increase in the General Fund operating budget. However, as stated above, the fiscal year 2004 General Fund budget reflects the movement of Corrections salaries and benefit budget from the Fine & Forfeiture fund due to Article V legislation.

General Contingency Fund and Emergency Reserves

This year's adopted budget reflects a \$1 million General Contingency Fund, which is the same as the past three years' budgets. The Emergency Reserves remain at \$8.4 million. Additionally, the County has budgeted \$1 million toward Employee Salary Adjustments.

Payments to Community Redevelopment Agencies (CRAs)

The amount of County property taxes being refunded to the CRAs has increased significantly and continues to increase.

Tax Refunds to Port St. Lucie CRA

	<u>2002 Actual</u>	<u>2003 Actual</u>	<u>2004 Budget</u>
General Fund	\$21,130	\$116,882	\$258,675
Fine & Forfeiture	<u>32,904</u>	<u>182,012</u>	<u>222,714</u>
Total	\$54,034	\$298,894	\$481,389

Tax Refunds to Fort Pierce CRA

	<u>2002 Actual</u>	<u>2003 Actual</u>	<u>2004 Budget</u>
General Fund	\$19,120	\$118,420	\$289,605
Fine & Forfeiture	<u>29,774</u>	<u>184,407</u>	<u>249,344</u>
Total	\$48,894	\$302,827	\$538,949

Employee Appreciation Day

For the fifth year in a row, the County's budget includes \$2,000 to be used towards the Employee Appreciation Day.

Lobbyist

The fiscal year 2002-03 budget included \$115,000 for lobbying efforts in Tallahassee. The Strategic Management Team recommended that the County continue these lobbying efforts. The fiscal year 2003-04 budget includes \$115,000 for these efforts.

Environmentally Sensitive Land

The fiscal year 2003-04 budget includes \$500,000 for the acquisition of environmentally sensitive land.

Non Mandated Outside Agency Requests – Funded

	2003 <u>Budget</u>	2004 <u>Requested</u>	2004 <u>Approved</u>
Bridge to Recovery	\$ 30,282	\$ 31,796	\$ 30,282
Healthy Start	45,000	45,000	45,000
*Cultural Affairs	75,013	0	0
ARC of St. Lucie County	6,500	0	0
**Council on Aging	200,170	217,623	217,623
New Horizons' County March	593,470	623,144	623,144
Economic Development Council	100,000	150,000	100,000
Forensics	<u>100,505</u>	<u>105,530</u>	<u>212,235</u>
TOTAL	\$1,150,940	\$1,173,093	\$1,228,284

* This is included in the Cultural Affairs Division Budget.

** Without Public Transit.

Health Insurance Plan

This budget reflects a 19% increase in the County's health insurance program to cover increased costs. While the cost of the program has increased, the County chose not to increase the employees' contribution for the coming fiscal year.

Job Growth Investment Program

The budget for this program was increased from \$210,000 in fiscal year 2003 to \$315,000 in fiscal year 2004.

Health Department Budget

The Health Department budget was increased from \$680,000 in fiscal year 2003 to \$863,000 in fiscal year 2004.

Transit Municipal Service Taxing Unit

For the first time ever, we have a dedicated funding source for public transit generating approximately \$969,000 in tax revenues, which will be used to expand the current route.

Annual Employee Appreciation Check

The fiscal year 2004 budget reflects an increase from \$25 to \$50.

New Jail Pods Operating Costs

The budget includes \$500,000 toward the start up costs for new corrections officers, supplies and equipment for the new jail pods that are expected to come online in the fall of 2004.

In addition to the major issues that are affecting the County as a whole, the County is faced with several issues that affect the short-term and long-range plans within the departments.

COUNTY ADMINISTRATION

In order to continue to stimulate economic growth in St. Lucie County, the County has adopted a policy to attract new businesses to St. Lucie County and encourage the expansion of existing businesses within the County. The creation of new employment opportunities for residents and the increased tax revenues resulting from such business expansion or relocation is beneficial to the local economy. Therefore, the County offers a Job Growth Investment Grant Program and Property Tax Exemption Program to encourage businesses to locate here or expand operations and thereby create new employment opportunities for the residents of St. Lucie County. The County Administration, working with the Board of County Commissioners and County departments, have put together the most extensive Capital Improvement Program in the County's history. In the next 18 months, we plan on going to construction with \$137,000,000 in capital projects.

MEDIA RELATIONS

The Media Relations division provides the public with up-to-date information 24 hours a day via high quality media productions and printed publications.

In typical 24-hour broadcast operations, staff must be present in the facility around the clock to monitor and operate the equipment. With Board approval, staff purchased and installed a "Digicaster", a Digital MPEG encoder and automated playback system, in fiscal year 2003. This piece of equipment, purchased for \$85,000 and located on the 3rd floor of the County Administration building, eliminated the need for a 24 hour on-site presence while keeping the public informed 24 hours a day through St. Lucie County Television (SLCTV).

In fiscal year 04, the Board allocated \$90,000 toward upgrading the equipment in the existing Morningside TV Studio in order to produce "new" local programming for SLCTV. With the renovations to SLCTV studios at Morningside Library in fiscal year 04, we will have a state of the art studio. Additionally, the studio will help fund operations with revenue generated through lease agreements with outside agencies, other local governments and educational establishments.

In order to consistently provide the public with information of the highest quality, whether video or publications, SLCTV needs more personnel. Realizing this, the Board approved an additional position in the 2004 budget. With the addition of equipment and personnel, Media Relations and SLCTV needs more space to operate at peak efficiency and at maximum potential.

Networks are never able to provide 24 hours of continuous programming and SLCTV is no exception. We need more locally produced programs and programs of local interest in order to fully utilize our available broadcast time. SLCTV staff has partnered with WLX-TV to the mutual benefit of both broadcasters. SLCTV now has use of the WLX-TV mobile media vehicle enabling us to “tape” multi-camera productions outside the BOCC Chambers.

With the creation of a countywide fiber-optic network, SLCTV will have the capability to produce “live” multi-camera programs or “live” remote reports from various county facilities. The broadcast industry is in the middle of a digital revolution. The implementation of high-definition is now underway nationwide. How it will affect government broadcasters is still a question. We do not know whether the Federal Communications Commission will require us to accommodate HDTV, what the cost will be, or even what format is best for our purposes.

COUNTY ATTORNEY

The goal of the St. Lucie County Attorney’s Office is to provide the desired level of service for general legal representation to the Board of County Commissioners, other Districts, and any other representation as directed by the Board in all legal matters. Although this office has only had eleven employees for a number of years, it has functioned extremely well with a teamwork attitude and a sense of achievement, which encourages staff to continue to work hard. The Acquisition Division under the direction of the County Attorney, desires to continue quality acquisition and support services to the Board and all county departments in the acquisition of real property for a variety of public projects, as well as maintain accurate records of County owned roads and facilities.

This Office will have installed and begun using a new movable storage filing system to increase filing and storage density while increasing productivity, accuracy and quick accessibility. The aisle saver system will double the filing density in an existing area and reduce required floor space up to fifty percent. The color coded filing system will offer time saving filing techniques, while laying the groundwork for a more sophisticated filing system using document management software.

Four of the County Attorney’s staff members have years of service ranging from twenty-one years to fifteen years of service for a total of 71 years. With this many years of experience among four staff members, it is a strength to the operation and efficiency of this office. All of the currently filled ten positions held are with dedicated, responsible and hard working employees. This office has settled a number of lawsuits that have been pending for quite some time. The Acquisition Division continues to acquire Environmentally Sensitive Lands for preservation and active recreation within St. Lucie County. Approximately 82 acres was acquired on the North Fork of the St. Lucie River, 56 acres in the Sheraton Plaza Preserve, and 13 acres in the Indrio Scrub Preserve. The Acquisition Division assisted the Town of St. Lucie Village in acquiring 60 acres for a passive park for outdoor recreation. The Acquisition Division also assisted the City of Port St. Lucie in the purchase of 20 acres for the Westmoreland RiverPark project. Approximately 157 acres were acquired in Lakewood Park for a County Regional Park.

The Acquisition Division must rely on the microfilm equipment within other County departments to pull Official Record Books information. Additionally, County staff relies on the Property Appraisers website for ownership information to contact property owners regarding acquisition of their property. With the rapid growth in our community, ownership information is sometimes not correct due to changes in ownership, which can result in delays.

The Board of County Commissioners has always been open to the needs of this office and continues to allow us to operate with the most effective and up to date equipment in order to provide the best professional service with the least amount of staff.

As St. Lucie County continues to grow in the rapid pace that it has been growing, we are challenged to continue to provide the best legal representation to the Board of County Commissioners and Constitutional Officers.

INFORMATION TECHNOLOGY

Significant projects scheduled for fiscal year 04 include installation of redundant storage on the county LaserFiche document imaging system, implementation of network encryption technology in response to mandated state law enforcement security requirements, continuation of the county server replacement program, replacement of aging network communications equipment, and purchase of a mobile training cart with laptops for field training and to provide mobile network availability as part of the county Disaster Response Program. The budget impact for these projects totals \$230,500.

Fiscal year 04 is the last year of the three-year BOCC PC Replacement Program. Upon completion, the entire county PC inventory of more than 600 desktop computers will have been replaced and upgraded to meet the needs of the current software systems used by county staff. The program includes a four-year warranty on all parts and a refresh of the operating system and CPU after two years to the current county standard at that time. The program has already resulted in increased productivity and a savings of more than \$85,000 in fiscal year 03 on parts and labor.

With the creation of the Information Technology (I.T.) Customer Service intranet website, county employees are able to generate work order requests online, fill out and print the Systems Security Form, find answers to frequently asked questions (FAQs) and have instant access to network status information, virus and virus hoaxes, viewlets, hurricane preparation procedures, and enroll in I.T. training classes.

By adding the Information Technology department to the new PBX system installed in the county administration building in fiscal year 03, recurring telecommunications costs in the fiscal year 04 Information Technology budget have been reduced by \$25,000.

Since the inception of customer service in October 2000, the Information Technology department has logged more than 19,000 customer support requests. By analyzing the requests, staff has been able to track trends and become proactive in addressing support issues resulting in an increase in network availability during regular business hours to 92% and an increase in Banner system availability to 95%.

100% of the county's network/desktop technicians have received their A+ certification and are certified to perform warranty service on the Howard PCs.

The County recently opened a 20-seat state-of-the-art computer training lab to provide ongoing training for county employees and employees of agencies support by the Information Technology department. In addition, a training website is now available on the county intranet with short instructional videos and tips to enhance computer skills resulting in increased productivity. As of September 30, 2003, more than 260 county employees have attended I.T. computer training classes.

By continuing to add BOCC departments located in the County Administration Building to the PBX, the County will have the opportunity to realize additional savings in recurring telecommunications charges and enhanced functionality. Anticipated savings will pay for the capital cost of equipment in 24 – 36 months. Future planning for a campus PBX environment will generate more savings on monthly telecommunications charges for the State Attorney, Public Defender, Court Administration, and Clerk of Courts with a similar return on investment.

The planning for acquisition of a countywide fiber network would expand the capability of county departments and outside agencies supported by I.T. to utilize voice, video and data technologies.

Our challenges in fiscal year 04 will be compliance with Article V requirements for Information Technology support of county funded agencies, meeting Florida Department of Law Enforcement mandated encryption requirements and associated network security management, and implementation of web-based Banner and Public Safety applications over the existing network infrastructure.

The I.T. department is in need of expansion space to provide facilities for hardware voice technicians, equipment storage, a repair center, staging area for PC setup, shipping and receiving, an applications testing area and secure parts storage.

Enhanced physical security provided by implementation of a smart card I.D. badge reader system is also needed to replace the aging access locks and better identify authorized personnel and control access to county computer systems.

HUMAN RESOURCES

The Human Resources Department of St. Lucie County BOCC is responsible for the business and operational needs of our customers in providing conscientious, courteous and professional cost-effective solutions in the areas of recruitment, employment benefits, compensation, workplace safety, risk management, and regulatory compliance with state and federal rules and regulations.

Our services help to attract, employ, retain and assist from initial employment through retirement, a highly talented, committed, and motivated diverse St. Lucie County Board of County Commissioners workforce. The Human Resources (HR) Department services an increasing workforce, which currently exceeds 850 employees (approximately 750 full time and 134 part time, contractual seasonal and temporary workers). The Human Resources Department also represents the St. Lucie County BOCC as chief spokesperson in collective bargaining. It provides risk management services to an additional 150 personnel employed by St. Lucie County's other elected officials and a collection of other administrative agencies.

Human Resources is currently understaffed with only five HR professionals serving a population of almost nine hundred (900) employees. The addition of four (4) employees over a five-year period will enable the division to adequately meet the human resources needs of the St. Lucie County Board of County Commissioners, its department and employees. In addition to meeting the needs of the county in the areas of recruitment, retention, compensation and benefits, Human Resources is actively involved with conducting and coordinating training in conjunction with Indian River Community College (IRCC) for over seven hundred fifty (750) employees under the Board of County Commissioners along with providing Sexual Harassment classes to all employees on an annual basis.

MANAGEMENT & BUDGET

The Office of Management and Budget (OMB) has an important responsibility to its citizens to correctly account for public funds, and to manage county budgets wisely and efficiently. The OMB office is actively involved in every aspect of managing the St. Lucie County budget throughout the entire year. Whether preparing the budget, following all state requirements in the adoption of the budget, or preparing budget amendments/resolutions, line to line transfers, OMB works with all departments on budget issues, grants oversight, revenue and/or expenditure forecasting. The department also conducts research and analysis, and monitors the debt schedule.

This department does not have any significant budget increase. In next year's budget, the increase is driven by the rising cost in health insurance. Next year's budget increase is 9.7 %, which is related to personnel. In a small budget any increase seems significant.

We have accomplished a lot in the past few years. For the sixth consecutive year, the Government Finance Officers Association has reviewed the St. Lucie County budget document and presented the Board with their "Distinguished Budget Presentation Award." Using the intranet, we posted the Budget Prepbook, all forms needed for the budget preparation process, and other forms needed for daily operations. This enables the Budget Coordinators to download this information from their desktop. OMB also developed a 5-Year Budget Plan Document last year to be updated on an annual basis.

We have a great deal of challenges ahead of us: increasing the understanding of county staff and citizens of St. Lucie County about fiscal issues relating to the County; producing a more professional, and easy to understand document; developing a “Budget in Brief” document containing the essential data that can be made available to all citizens of St. Lucie County upon request; further developing the capital improvement program document; continuing to improve the grant management section; and further developing a training program on County financial procedures.

PURCHASING

Significant new expenses for fiscal year 04 include replacement of outdated analog copier with a digital copier in the Material Center (budget impact: \$51,500) and replacement of old outdated purchase order printers (budget impact: \$3,500).

Purchasing Department’s efficiencies include small dollar purchases through the Purchasing Credit Card Program resulting in a \$6,900 rebate from Bank of America and the sale of surplus equipment from the County Auction resulted in \$104,360 in fiscal year 02 and \$197,500 in fiscal year 03.

The effectiveness of the Purchasing Credit Card Program is one of our major strengths. Also, our Record Management ability to scan documents helps reduce space needed for records storage. Teamwork and providing prompt technical assistance to all departments are important to operating in an effective and efficient manner. Our Material Center’s ability to meet printing, on demand, requests from County Departments and Constitutional Officers are on-going challenges for Purchasing.

CENTRAL SERVICES

The Central Services Departments diversity is its key strength. Covering the gamut from: security guard to managing multi-million dollar construction projects, replacing light bulbs to rewiring buildings and general maintenance of offices to jails.

Some of the current and future challenges to be met are servicing and maintaining over fifty public buildings for a diverse group of occupants and building design.

Opportunities identified include, meeting the space needs of all County agencies and to provide support services for this growth. The upcoming years will include oversight and management of several new facilities; \$ 7.5 million new Clerk of Court Building, \$ 16 million Jail Pods, \$ 5 million Libraries, \$1.5 million in miscellaneous projects and over \$ 1 million in grants. This provides us an opportunity for growth, reorganization, development of sound business practices, promotions, and the development of an even stronger multi-talented work force.

As change and development continue, a weakness may occur in our ability to keep up with the demand for quality services. As with any good service company, professional education and training are necessary to maintain a skilled staff.

COMMUNITY DEVELOPMENT

The Department of Community Development is comprised of four divisions: Planning, Economic Development, Tourist Development and Geographic Information Systems. The Department is staffed by 26 persons in both professional and technical positions. The Department of Community Development provides support and advice on property, land use and development related matters to not only the Board of County of Commissioners, but also the Planning and Zoning Commission; Board of Adjustment; the Metropolitan Planning Organization, and various other Board appointed committees and task forces.

Planning

The Planning Division is responsible for all short and long term community planning efforts and activities. Short term planning activities include the review of all proposed development activities in the County for compliance with County regulations and for assessing and monitoring the impacts of those development proposals on the communities' infrastructure and environmental resources. Long term planning involves the development of the county comprehensive plan and other policy documents and directives that are intended to define the future of St. Lucie County.

The Planning Division also provides staffing support for the St. Lucie County Metropolitan Planning Organization (MPO). The MPO is a countywide transportation planning organization that is responsible for working with State and Federal officials in order to ensure that the primary transportation network in the community operates efficiently.

Economics

The Economic Development Division is responsible for assisting existing businesses, encouraging new businesses and industries to locate in St. Lucie County, and facilitating the available state and federal support programs that can be used for economic development activities. Over the past year, the County's Economic Development Division, working with our many partners in the community, has been successful in attracting several major new industries to the county including Wal-Mart Corporation's newest distribution center, Scripps-Howard Regional printing center and Tropicana Industries newest juice production facilities. Together these three businesses, upon opening, will expand the local employment base by almost 1,300 new jobs.

Tourism

The Tourist Development Division is responsible for the marketing and advertising of St. Lucie County throughout the eastern United States and Western Europe. The Tourist Development Division provides staff support to the St. Lucie County Tourist Development Council whose charge is to monitor the expenditure the Local Tourist Tax dollars and see that funds collected through these "Tourist Taxes" are reinvested back into the community in order to attract additional tourists to the area. With the recent reauthorization of the Local Tourist Tax, the County is now in a position to fund improvements to the St. Lucie County Sports Complex; contribute to the development of the "Field of Dreams Youth Sports Park" at PGA Villages and to provide for expanded marketing and special grant programs to generate interest in our local community on a statewide, national and international basis, beginning in 2004 with State of Florida Law Enforcement Games.

Geographic Information System

The Geographic Information System (GIS) Division of the Department is responsible for all mapping and technical support for the many automated programs that the Department uses. In coordination with the St. Lucie County Property Appraiser and the County's Information Technology Department, the GIS Division maintains up to date County base maps that depict land use and physical feature information for the County. One of the primary objectives of the Department is to be able to make available in real time, WEB based property and land use information for the entire County.

COMMUNITY SERVICES

In fiscal year 04, the emphasis in the housing program (SHIP) will be to assist eligible homeowners in several of the Municipal Service Benefit Unity (MSBU) projects with their assessments for water and sewer hookups and to expand the emergency rehabilitation program for very low income homeowners. In our capacity as the Treasure Coast Community Action Agency, we plan to put emphasis on funding programs for children.

Community Services staff members are all cross-trained and are able to provide assistance through our knowledge of services that are available in our community. There is limited general funding for direct services, so in order to assist our most needy clients we must be diligent in seeking out all the different funding sources

available and matching the client to those resources in the most cost effective manner. With the aging population, we are seeing an increased request for services. Since State grant programs that this office administers are either being decreased or stable, a large part of the population will be under served.

Our challenge in fiscal year 04 will be to closely monitor the legislature for any statute change that would increase the County's responsibility under Medicaid, Health Care Responsibility Act or any other cost shifting that adversely impacts our County. The housing program, SHIP and Transportation Disadvantaged Trust funds must be monitored to encourage the legislature to continue these vital programs. Staff must seek additional funding resources in order to meet the needs of our most vulnerable citizens.

Opportunities lie in the increased awareness for collaboration and networking with all the possible funding sources in the four county area. The advent of Community-based care has provided a broader network for all the services that are available and has exposed potential weaknesses in our services. Fiscal year 04 will be the first year that the Board has instituted a dedicated funding source for transit through a Municipal Service Taxing Unit (MSTU). This funding will be used to operate transit and will assist with expansion of the system.

COUNTY EXTENSION OFFICE

During the next fiscal year, the St. Lucie County Extension Office will improve the Agriculture Complex grounds according to the site plan developed; the first year of a five year capital project. The site plan was created from suggestions made by all staff members and will be a valuable instructional resource as well as a beautiful sight once complete.

The Extension staff continues to assist the St. Lucie County School Board in delivering their Agriscience program to the students of Fort Pierce Westwood High School. Two instructors work together to provide classroom and hands-on learning experiences, manage the Agriscience Center grounds and oversee the students involved with Future Farmers of America (FFA).

In addition, several staff members continue to work directly with elementary and middle school students providing school enrichment programs regarding marine science, livestock, pet care, entomology, seat belt safety, nutrition, self-care, plant science and farm life. The programs have become well known by teachers, and program assistants find their schedules filled to the end of the year by the second week of school. The opportunity exists for another full time program assistant to assist in meeting program demands.

The 4-H clubs and events continue to have high participation. 4-H competitors are excited at the opportunity to use the new Fairgrounds facilities. 4-H continues to strive to meet more diverse audiences. A grant was received last year that provided funding for after-school programs for inner-city children, and staff is working to find funding for this successful program to continue.

Programs offered by the St. Lucie County Extension Office, including pesticide applicator training, invasive and aquatic plant control, wildlife management, coastal and uplands environmental lands management, water quality protection, and production management and safety (citrus, vegetable nursery and landscape), are increasing in participation and frequency. These programs increase community awareness and understanding of Best Management Practices (BMP's). A growing audience of builders, construction managers and contractors are finding their continuing education unit requirements met by courses offered at the Hurricane House.

Our volunteers, including many advisory committees, the 4-H and the Master Gardeners, are one of our biggest strengths. Additional strengths include the reliable, researched-based information provided by a knowledgeable and well-trained staff to the public on a wide variety of agricultural, environmental, and family related topics. Alternately, our biggest weakness lies in the lack of familiarity that some facets of the community have with the offerings provided. Our goal is to continue to

reach a wider audience and the opportunity lies in more frequent use of media resources to make the public more aware of our resources. We plan to work more closely with the county's media representatives to meet this awareness challenge.

CULTURAL AFFAIRS

During fiscal year 03, the Board authorized a new position for an Executive Director. This individual is responsible for developing and administering cultural capital assets and programming in St. Lucie County and has a wide variety of responsibilities including the administration of the Cultural Affairs Council, the existing Historical Museum, Marine Center and UDT-Seal Museum, the development of a new County museum facility and a museum collections storage and conservation facility. This position also administers the County Art in Public Places program and the Historical Commission. Budget items reflect minor initial office setup expenses, the majority of the budget relates to the development of the new museum. The operating budgets for the existing museums and the .5 FTE secretarial expenses are included in the Parks and Recreation Department budget for fiscal year 04.

LIBRARY

The fiscal year 04 budget shows the ever changing need for more technology in today's libraries - more online databases will be secured for up-to-date research materials for the general public. The Department of State through the State Library has helped libraries gain access to more databases through *Gale Corporation* - the staff is eager to show off the new databases and get the public connected at the library.

Seventy percent of the population now has a valid library card. The continued increase in use of library facilities is driving the need for additional hours of operation. For this reason, the Morningside Branch Library will begin to offer Sunday hours during fiscal year 04 from 1:00-5:00pm as Ft. Pierce Branch Library began offering in fiscal year 02.

A new librarian for Outreach Services will be added to meet the demands for additional children's services in the community. A librarian II / branch supervisor for the Morningside Branch Library will also be a new addition - this will allow the current Extension Services Coordinator to get out into the community to develop more outreach programs for the adult population.

Plans will begin for a new branch library in Port St. Lucie. A grant was submitted in April 2003 with the library receiving notification in July 2003 that the project will be considered for funding in April 2004. Impact fees are available to aid in the construction of a new library.

MOSQUITO CONTROL

The fiscal year 04 budget has been prepared with priorities targeted to implement an Integrated Pest Management Program. This program places emphasis on inspection, monitoring, source reduction and chemical control of adult and larval stages of mosquitoes. Improvements in mosquito monitoring and trapping measures will allow for greater focus on vectors of arbovirus, and increased sentinel monitoring of arboviral transmission will be accomplished through expansion in the number of sentinel flocks.

District expansion is also an area of special emphasis in the upcoming year, with over 10,000 acres (comprised of multiple developments), entering the District at their own request. Additional manpower, planning and budgeting for additional control efforts for these areas, are a requisite to meet the increased need. Permitting will also be complete in fiscal year 04 for the Bear Point Mitigation Bank, which will be followed by construction implementation and the first year of environmental monitoring. These costs have been fully budgeted and fully reserved in accordance with State and Federal Mitigation Bank Instrument permit requirements.

The District's particular strength is its' wetland acquisition, preservation, restoration and water quality management protocols, which have earned it the 2001 Walter B. Jones Memorial and NOAA Excellence in Coastal and Ocean Resource Management Awards. The improvements in management have been estimated to be valued at over \$40M in direct estuarine benefits to the community and the State of Florida. Additional District strengths lie in the areas of advanced technology in the application of ground adulticides, and the metering and monitoring of those spraying operations through use of specialized computerized GPS equipment, programming and software, as well as, database management.

Our major weakness lies in the area of low staffing levels, due to the fact that no additional staffing has taken place over a period of 20 years, while the County has grown from 67,000 to over 230,000 residents. Increased full- and part-time staffing requests will be spread over a period of 5 years to lessen the annual budgetary impact. Opportunities lie in the area of training supplied by the Florida Mosquito Control Association and by the County. The District budgets sufficient funds to maintain employee Public Health Pest Control licenses, as well as, to expand the scope of such training into related fields.

The District's major challenge is in the need to respond to westward development pressure, into what was historically rural, and agricultural areas, that have poor to non-existent drainage, and therefore, greatly increased severity of mosquito infestations and disease transmission. Staff-up and additional spray vehicles are being proposed in response to this growth, and additional reserves are budgeted to provide the capability to perform emergency aerial spraying should elevated risk require such measures.

PARKS & RECREATION

Parks

The Parks Division is dedicated to providing quality customer-focused parks services that meet the needs of Saint Lucie County residents, consistent with the initiatives of the Board of County Commissioners. The Division maintains over 1,800 acres of inland parks, beachfront parks, beach accesses, boat ramps, 40 ball fields, 3 stadiums, 21 government sites, and the new Saint Lucie County Fairgrounds. We service these facilities with landscaping, grounds maintenance, sporting event preparation, and facility maintenance, as well as setting up for community-wide and special events with our "Show-mobile" and portable bleachers.

With our established maintenance procedures, during the past year, we had some notable accomplishments. We completely re-finished three ball fields, built new bocce courts at Lawnwood Stadium, and installed new irrigation systems at two baseball fields. A day and evening shift was established for our ball field crews to lessen overtime and to provide better coverage for our consumers. Additionally, we reclaimed a natural wetland area at T. J. White Stadium that will be made a part of the ongoing renovation. We established a seashore "paspalum" practice field to test this drought-tolerant grass. It should also be noted that paspalum is pest resistant, reduces pollution because it requires only a small amount of fertilizer and pesticides, and responds extremely well to gray water irrigation. The initial results have been extremely positive. We also set up a chemical treatment program for all Parks properties using certified spray technicians and set up a documentation log to comply with State and Federal regulations.

Four of our parks were totally re-landscaped, and new playground equipment was added. With all of the unexpected projects that come our way, and the growth of our facilities and responsibilities, we sometimes fall behind on routine maintenance. Our crews extend themselves far beyond normal expectations to get all of the jobs done, but it just may take a little longer. Our equipment does not always keep up with our needs, but our mechanic and crews keep what we have operating at optimal performance levels.

As a result of the Park Referendum, voted on by County citizens in November 2002, funds became available to proceed with the land purchase and further development of the Lakewood Park Regional Park project. Additionally, Lawnwood Football Stadium will receive significant upgrades to its concrete structure, as well as improvements to the field and drainage system.

Our real strength is in our staff. We have knowledgeable and well-trained supervisory and support staff. Our success is based on excellent communication and cooperation between the ball field, landscaping, and public property and trades crews that foster joint problem solving and a can-do attitude. There is a great deal of flexibility to meet our challenges and a group of dedicated employees who get the job done.

Sports Complex

The major accomplishment at the Sports Complex this year was an excellent Spring Training. We received great reviews from the Mets organization and their players. The Board of County Commissioners and New York Mets ownership finalized contract negotiations in August 2003 to keep the team's spring training in Port Saint Lucie for 15 years. As a result of the agreement, the stadium will be renovated at a cost of more than \$9 million.

Our major strength is in ballfield maintenance. The main field and backfields are in excellent conditions due to the dedicated work of the stadium staff. We have been in the top three stadiums in the State for the least amount of rainouts because our staff is able to prepare the fields for professional play through adverse weather conditions. This boosts attendance and revenue for the stadium and the County.

Although the stadium seems to be running well and staff is doing a good job, our weakness is the lack of special events held at the stadium.

Recreation

Fiscal year 2003 turned out to be an eventful year for the Recreation Division achieving a number of accomplishments during the year. The division successfully ran five summer camps in 2003. They added a teen camp for the first time, which was full to capacity and was extended beyond the original ending date due to popular demand. The division also contracted with five physical education teachers at Fort Pierce Central High School to run one-week camps focusing on their specialty. The camps were well attended and will be repeated next year.

Along with running very successful camps, the Recreation Division also recruited and trained a full complement of lifeguards and swimming instructors for the summer aquatics program and initiated a water aerobics program at the Port Saint Lucie pool.

In support of the community's history, three one-week History camps were held at the Historical Museum and the annual Fourth of July celebration was introduced at the Fort Pierce Community Center. Senior socials, including luncheons and entertainment, were also held at the community center during the winter season as well as a reading club in conjunction with the Library system.

Through numerous specialist agreements, the division held three arts and crafts fairs at various county locations and offered canoe and kayak rentals at the River Park Marina. All of these events will continue for a second year.

The division also supported the local School Board with football and soccer seasons at two different locations.

As we strive to meet the recreational needs of Saint Lucie County citizens, our major strength remains in the increased number of professional staff we recently hired with formal education and applicable work experience. They are motivated and hardworking while displaying cooperative and supportive attitude. With a clear mission statement, vision, and defined responsibilities, we have maintained an excellent rapport with the School District and various community groups.

The County's growing population continues to put a strain on the limited number of recreational facilities (community center, pools etc) and their condition and age. Along with these challenges, there's also a limited amount of funding to maintain the facilities and acquire new ones. Despite the challenges, staff will continue to request funding during the budget process and seek grant funding where applicable. Upper management will ultimately decide how to allocate the necessary funds.

To address the lack of clerical staff at the community centers, positions were requested in this year's budget but were disapproved. Staff will, however, continue to request these personnel additions in future years. Staff will also attempt to convert part time positions into full time. Another area that needs improvement is our personnel policies that do not allow for rewards for outstanding performance. Performance rewards will depend on changes to the County's performance evaluation system.

Golf Course

Some of the Golf Course's major accomplishments during fiscal year 2002-2003 include the completing a 1600 square foot pavilion for outings and events, increasing from 35 players to 80 players during a second year of the Saint Lucie County Junior Golf Association, successfully constructing four new tees, covering the greens with new "Tidwarf" Bermuda grass, and hosting the 2003 State High School Golf Championships. The Golf Course was recognized by readers of the Tribune as the best public course on the Treasure Coast and received the Golf Digest's 3-Star Award for the fifth consecutive year.

Our reputation for being very hard to get on in the season, as well as insufficient number of events and leagues are legitimate concerns.

The condition of the course ranks as one of the best on the Treasure Coast. This is largely due to the excellent employee and management relationship. Our Junior Golf Programs (Clinics, Lessons, Range Memberships, \$1.00 fee year round, and Saint Lucie County Junior Golf Association) are excellent programs and are well received by the community. We maintain an affordable rate structure, while the Resident Associate Membership Base is 960 Golfers.

PORT

We have completed the Port Master Plan Document and received approval by the Department of Community Affairs. The plan has now been formally adopted into the County Comprehensive Plan.

Permitting of Phase I of the Taylor Creek Dredging and Restoration Project is complete. Several grants have been received to help fund the construction costs, including Florida Seaport and Economic Development (FSTED) and South Florida Water Management District (SFWMD) funding. Full funding for the \$3,500,000 project is now in place with construction planned in April 2004.

Port Property Purchase: Negotiations are ongoing between the property owner and private groups for possible purchase of the Port property. Grant funds are being pursued through FSTED for infrastructure development.

AIRPORT

The development of the Airport Industrial Park will ultimately allow the airport to cover their operating expenses.

Noise is a very sensitive issue to the airport and the "Part 150 Noise Study" will provide guidance on reducing noise impacts to the surrounding neighbors. With the construction of the parallel runway, the airport will enhance safety while reducing noise to the surrounding area.

The St. Lucie County International Airport 1998 – 2002 Strategic Business and Marketing Plan was updated with a 2010 Planning Horizon by assessing the present revenue base. Actions necessary to increase that base and diversify the revenue sources to achieve the mission of financial independence were also identified.

PUBLIC SAFETY

For fiscal year 2004, we are looking forward to the final installation of our new E-911 phone system, as well as making our system compliant with the FCC Phase I and II for wireless calls. By the beginning of 2004, we will have installed a mapping system that will track the wireless phone call locations along with other important information about the location. The new budget also increases the 911 personnel by 5 positions – 4 for dispatch and 1 for complaint tracking.

Emergency Management will be installing a new phone system that will tie into the 911 system, making it only the second of its kind in the state. This will help improve communications during an activation of the EOC. Animal Control and Marine Safety will maintain its current staff level. The most significant change will be Marine Safety renovation of all of the lifeguard towers during 2003-2004.

PUBLIC WORKS

Environmental Resources

As we add more Environmental Lands to the County's inventory, staffing will have to be increased in order to meet the needs of our funding partners. This year, we are requesting a Biologist I position that will be responsible for oversight of restoration projects and writing of management plans for ESL properties.

Solid Waste

The Construction & Demolition Debris Recycling Facility will extend the life of our Landfill cell 25+ years. The 7 new positions for this operation will cost \$ 250,000, and will be more than offset by the savings from recycling and saving of Landfill space.

Road & Bridge

Drainage Section - includes the addition of a 6 man Special Projects Crew to construct stormwater improvement Projects using "in-house" forces and equipment (budget impact - \$ 538,403). This will increase our ability to implement capital improvements for stormwater improvements in older neighborhoods that have poor drainage.

Traffic Section - includes the addition of 1 Maintenance Tech IV Position to assist with the Traffic Counts Program, provide monitoring of traffic signal intersection timing, and increase production in our Sign Shop fabrication (budget impact - \$33,179).

Stormwater Section - plans to increase the maintenance activity of the Verada Ditch, and will add operation & maintenance of the Platt's Creek Stormwater Facility (budget impact - \$ 137,000).

Code Compliance

Increasing demand on the Building Department as a result of development growth has increased our Code Compliance Division to a staff of 46. This year we plan to add an Assistant Code Compliance Manager position to better serve our staff and customers.

Engineering

Engineering plans on updating our 5 Year Capital Improvement Plan for Roadway Maintenance, Roadway Widening and Stormwater Projects, and continuing to develop our MSBU Program and Bridge Maintenance Repair & Replacement Program (see Capital Budget for details).

UTILITIES

As St. Lucie County continues to grow, the Utility Department will continue to strive to provide the highest level of service to our customers utilizing the most efficient means possible.

The Utility Department will continue to become more efficient through the utilization of technology currently available in our industry. We have recently experienced a reorganization of our department and the hiring of new staff members. The new staffing represents a temporary weakness that is being overcome on a monthly basis as we move forward. However, on a larger scale, the new staff also represent a strength due to the vast knowledge the Utility Department has acquired through their experience in the Utility industry.

The opportunity that presents itself is the ability of St. Lucie County to become a prospering and viable County Utility System that will support Economic Development and excellent service to our existing and future customers.

VETERAN SERVICES

Our mission in fiscal year 04 will be assisting veterans and their families by providing counseling and assistance in order to establish benefits under Federal and state laws which may result in monetary gain and medical care. In order to fulfill our mission we will keep the public aware of the services available for veterans and their dependants by increasing the number of benefits presentations to local groups and civic organizations. We will increase the frequency of in-office training sessions with outside social agencies in order to provide all possible benefits to veterans and their dependents. We will strive to reduce the amount of paper documentation (necessary for processing claims with the VA) currently stored on site.

Once again, Veteran Services was recognized as “Organization of the Year” by the St. Lucie County Council of Social Agencies. Our Veteran Services Officers, medical transportation drivers, and administrative support staff continue to improve ways to assist the veteran community. Public awareness through pro-active community presentations and newspaper articles has increased the number of clients seeking VA benefits. Because of claims filed by our office, the monetary benefit received by more than 11,000 veterans and their dependents will add more than \$1,278,810 to the monthly income of County residents.

A slight increase in the budgeted hours for on-call drivers will ensure an adequate number of vans are available on a daily basis (budget impact - \$6,202). Based on a mean average of one hour per client counseled, as indicated by our lead agency (the Department of Veterans Affairs), we currently exceed the norm at 126% for four Veteran Service Officers. This represents an increase of 15% over the previous year.

The veteran population in St. Lucie County continues to grow at a rapid rate. The opportunity exists for our staff to increase the number of clients counseled, thereby improving the quality of life for disabled veterans in our community. One of our four Veteran Service Officer positions is currently part time. In order to meet the needs of the veteran population, the part time position will be reclassified to full time, and add an additional 10 hours of counseling time per week. Budget impact is minimal.

We will face a number of challenges in the future. As our client base grows, the support documentation required to file claims does as well. The need to reduce the amount of paperwork exists. In addition, recent changes in Health Insurance Portability and Accountability Act (HIPAA) laws have geared staff to eliminate the hard

copy storage of medical documentation for our clients. The purchase of a scanner for use with laser fiche technology will improve our efficiency with internal record keeping, reduce the need for additional storage space for paper records and put stronger security measures in place for confidentiality issues (budget impact - \$2,060).

CONSTITUTIONAL OFFICERS

The Sheriff's budget has increased 8.21% or \$2.987 million. The Supervisor of Elections budget is up by 30.91% or \$524,539. The Property Appraisers budget has increased by 1.82%, or \$58,119. The Clerk of Circuit Courts has decreased by 7.03%, or \$227,619. The Tax Collector's budget decreased by 6.89%, or \$228,818. The Property Appraiser and Tax Collector budgets are approved by the Florida Department of Revenue and funded from a percentage of taxes collected.

GRANTS TO OUTSIDE AGENCIES

The Board awarded grants only to mandated agencies. In fiscal year 2002-2003, the Board awarded \$1,317,678. This year the Board awarded \$2,148,366, which is an increase of \$830,688 or 63.04%. Note: fiscal year 2003-2004 budget for outside agencies includes \$902,743 revenues from the newly established Transit MSTU.

DEBT SERVICE

St. Lucie County will start fiscal year 2003-2004 with the total outstanding debt of \$136,903,965. Most of County's indebtedness consist of long-term bonds including \$13,100,000 in General Obligations, \$72,087,000 in bonds covered by government funds, and \$16,505,000 enterprise funds.

Recently, the County took advantage of the low interest rate environment and refunded all of the outstanding Building Fund bonds from 1994. In the same bond series totaling \$64,230,000, the County issued bonds for the construction of new projects including Clerk of Courts Building, jail pods, Wal-Mart infrastructure improvements, Walton Road Annex, and Equestrian Center at the Fairgrounds.

RESERVES

A reserve of \$1M was established last year for salary adjustments in the taxing funds. The same amount is budgeted this year for a 3% increase across the board, effective October 1. Contingency reserve is budgeted at \$1M, the same level as last year. The emergency reserves remain at \$8.4 million.

CONCLUSION

This budget reflects the efforts of the Board of County Commissioners and staff to keep tax rates low, while at the same time, maintain the quality of life in St. Lucie County. The Board's ultimate goal is to reduce their reliance on property owners to fund county operations. With this goal in mind, we have made progress toward the diversification and enhancement of the county's economic base through an aggressive Job Growth Incentive Plan and a campaign to attract desirable employers to St. Lucie County.

We have stabilized the County's operating budget and are addressing the County's long-term capital needs.

We need to continue: controlling expenditures; exploring the possibility of increasing non ad valorem revenue sources; pursuing an aggressive and carefully planned economic development strategy designed to create an economic base that is adequate to fund desired public service levels on a continuing basis.

Sincerely,

Douglas M. Anderson
County Administrator